

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 8696 /F., Date **31.03.2017**
FIN-CS-2-ESTT-0011/2015

OFFICE MEMORANDUM

Sub: Calculation of pension contribution and leave salary contribution under NPS scheme while on deputation.

2. As per the provision of the Odisha Service Code when a Government Servant is in Foreign Service within India, contribution on account of leave salary and pension need to be paid to secure to the Government servant, his right to earn leave / pension respectively.

3. In Finance Department O.M. No. 18548/F dt.28.06.2016, it has been stipulated that the recovery of pension and leave salary contribution in respect of employees who join in Government service on or after 01.01.2005 and are governed by 'New Pension Scheme' will be made in the following manner:

- a) the recovery of leave salary contribution will continue as before.
- b) Borrowing Authority or employee where the borrowing authority does not agree to bear the contribution, will bear the cost of employer share of contribution, which along with the employee share of contribution will be credited to the NPS.

4. It has been pointed out by different Departments that it creates discontentment among the employees governed by New Pension Scheme on deputation to bear both the cost of employer share and employee share when the borrowing authority does not agree to bear the contribution. Besides, this arrangement also goes against the NPS Rule.

5. As per Government of India, Ministry of Personnel, Public Grievances and Pensions, Department of Personnel and Training O.M. No. 2/6/2016-Estt. (Pay-II) dt.17.02.2016, "In case of employees covered under NPS on deputation, the borrowing authority shall make matching contribution to NPS account of the employee".

6. After careful consideration, the Government have been pleased to modify the F.D. O.M. referred above to the extent that the recovery of Pension and Leave Salary Contribution in respect of employees who join in

Government service on or after 01.01.2005 and are governed by 'New Pension Scheme shall be made in the following manner :-

- i) The recovery of leave salary contribution will continue as before.
- ii) Borrowing authority will bear the cost of employer share of contribution which along with the employee share of contribution to be borne by the employee on deputation; will be credited to the NPS.

7. This Office Memorandum shall come into force with immediate effect, and the previous O.M. No. 18548 dt.28.06.2016 issued in this respect stand modified to the above extent.

Sd/-
(Tuhin Kanta Pandey)
Principal Secretary to Government